GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:2984
ANSWERED ON:20.03.2008
ISSUE OF FERTILIZER BONDS
Tripathy Shri Braja Kishore

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the Government has announced issuing of fertilizer bonds;

(b) if so, the details in this regard;

(c) the details of subsidy given by the Government and the extend to which the same will be compensated by such bounds;

(d) the details of terms and conditions of such bonds; and

(e) the details of funds so far collected by the Government from such bonds?

Answer

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS(SHRI B.K, HANDIQUE)

(a) to (e) The Government has issued fertilizer bonds worth Rs.7500 crore for payment of fertilizer subsidy in the year 2007-08. The total subsidy allocated till date for 2007-08 is Rs. 36501.01 crore including the Rs.7500 crore worth of fertilizer bonds. The above fertilizer bonds have been released in two tranche dated 7th December, 2007 and 18th February, 2008 for Rs.3890 crore and Rs.3610 crore, respectively. The terms & conditions of the bonds can be seen at Annexure-I & II. The Government is issuing the fertilizer bonds to the companies against the payment of fertilizer subsidy and the fertilizer industry is free to raise funds from the market by sale of bonds, if required.